

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In re:)	
)	
Report to Congress Regarding the)	IB Docket No. 05-156
ORBIT Act)	

COMMENTS OF INTELSAT

Intelsat LLC and its affiliated entities (collectively, "Intelsat"), by its counsel, hereby respond to the Federal Communications Commission's ("FCC" or "Commission") request for comments in the above referenced proceeding.¹ The Commission seeks comments in order to compile its sixth report to Congress pursuant to Section 646 of the Open-Market Reorganization for the Betterment of International Telecommunications Act ("ORBIT Act" or "Act").²

Intelsat continues to respond to market forces in a competitive environment. Since Intelsat last filed comments in May 2004, it acquired, pursuant to Commission approval,³ the customer contracts and other assets of end-to-end communications services integrator COMSAT General Corporation. The acquisition, which included the rights to

¹ *International Bureau Information: Report to Congress Regarding the ORBIT Act*, Report No. SPB-211, DA 05-773, Public Notice (Mar. 25, 2005).

² Open-Market Reorganization for the Betterment of International Telecommunications Act, Pub. L. 106-180, 114 Stat. 48 (2000), *as amended*, Pub. L. No. 107-233, 116 Stat. 1480 (2002), *as amended*, Pub. L. No. 108-228, 118 Stat. 644 (2004), *as amended*, Pub. L. No. 108-371, 118 Stat. 1752 (2004).

³ *See Authorizations Granted; Applications of Comsat Gen. Corp., Lockheed Martin Global Telecomms. LLC, Comsat New Servs., Inc., Intelsat LLC, and Intelsat MTC LLC to Assign Licenses and Authorizations and Request for a Declaratory Ruling on Foreign Ownership*, Public Notice, 19 FCC Rcd 21216 (2004).

FCC and other licenses, has enhanced Intelsat's competitive position in providing U.S. government and North Atlantic Treaty Organization ("NATO") customers with satellite capacity and managed satellite-based services.

In addition, on January 28, 2005, pursuant to Commission approval,⁴ Intelsat consummated a transaction in which a consortium of private investors indirectly acquired 100 percent of the outstanding capital stock of Intelsat.⁵ Earlier, on December 23, 2004, Intelsat had filed with the Commission a petition for a declaratory ruling that, upon consummation of the transaction with the consortium, Intelsat would be in compliance with Section 621(5)(F) of the Act.⁶ Specifically, as required by Section 621(5)(F), Intelsat certified that, upon consummation of the sale to the consortium: (1) all existing signatory or former signatory financial interests in all Intelsat entities would be eliminated, (2) no signatories or former signatories would possess, together or individually, effective control of a successor entity of INTELSAT, and (3) no intergovernmental organization would have any ownership interest in a successor entity

⁴ *Intelsat, Ltd., Transferor, and Zeus Holdings Limited, Transferee; Consolidated Application for Consent to Transfer of Control of Holders of Title II and Title III Authorizations and Petition for Declaratory Ruling Under Section 310 of the Communications Act of 1934, As Amended*, Order and Authorization, 19 FCC Rcd 24820 (2004).

⁵ See Letter from Tom W. Davidson, Akin Gump Strauss Hauer & Feld LLP, to Ms. Marlene H. Dortch, Secretary, Federal Communications Commission, (Jan. 28, 2005) (noting the consummation of the transaction approved by the Dec. 22, 2004 Order and Authorization in IB Docket No. 04-366).

⁶ Intelsat, Ltd., Petition for Declaratory Ruling that Intelsat, Ltd. Complies with Section 621(5)(F) of the ORBIT Act, IB Docket 05-18 (filed Dec. 23, 2004); *see also* Intelsat, Ltd., Supplemental Submission, IB Docket No. 05-18 (filed Feb. 9, 2005). Effective October 25, 2004, Congress amended the ORBIT Act to provide two methods for Intelsat to satisfy the Act's IPO requirement. As originally contemplated in the statute, Intelsat may conduct an IPO in accordance with Section 621(5)(A). *See* ORBIT Act, § 621(5)(A). Alternatively, under Section 621(5)(F), Intelsat may forgo an IPO and public listing of securities if it otherwise achieves substantial dilution of former signatory ownership, eliminates former signatory control, and has no intergovernmental organization ownership. *See id.*, § 621(5)(F).

of INTELSAT.⁷ The pleading cycle on that petition concluded on March 1, 2005,⁸ and the petition remains pending.

Intelsat's privatization continues to have a positive impact on the global marketplace for communications services. The acquisitions discussed above have allowed and will allow Intelsat to offer expanded communications services, thus "promot[ing] [the] fully competitive global market for satellite communications services" envisioned by Congress.⁹ This, in turn, benefits consumers, who have more choices available to them at more competitive prices.

Respectfully submitted,

Intelsat LLC

/s/ Amy E. Bender

By: _____

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⁷ See ORBIT Act, § 621(5)(F).

⁸ *Intelsat, Ltd. Files Petition for Declaratory Ruling Pursuant to Section 621(5)(F) of the Open-Market Reorganization for the Betterment of International Telecommunications Act, as Amended*, Public Notice, 20 FCC Rcd 662 (2005).

⁹ ORBIT Act, § 2.